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SUBJECT: Global Context Section of the QDDR - ISRAEL

REFS: A) STATE 120172 B) TEL AVIV 2563 C) TEL AVIV 653

11. Embassy Tel Aviv offers the following responses to queries posed in ref A regarding the trends in Israel that will most likely affect the conduct of diplomacy and the execution of development programs over the next ten to twenty years. The challenges that Israel will face diplomatically will depend significantly on the progress of peace efforts and its ability to have normal relations with its neighbors. Regional conflicts and the supreme need to guard its security may well be the enduring context of the next decade and currently color the country's approach to the global questions of empowerment through technology, relations with rising powers, resource scarcity and climate change.

Technology as tool for civil society

- 12. Israel is a fully wired society and technology plays a significant role in civic life for the majority of its citizens. Israeli research helped found the internet, and Israeli software innovations continually help refine it. As home to many internet and IT research and development centers (Intel, Cisco, Microsoft, IBM, etc.), the country's economy has a major stake in the high-tech sector and policymakers are keenly aware of its importance as competition from other emerging high-tech centers grows. Israelis are empowered technologically, with nearly 75 percent of citizens accessing the internet and more cell phones than people. Many NGOs and civil society groups harness the power of the internet to spread their message and the government has not obstructed the expansion of access to social networks and other tools. For example, groups that support the settler movement as well as the more left-leaning NGOs like Peace Now both use the internet and text messaging extensively in their outreach and to mobilize their constituencies. As mobile devices that can access the internet become cheaper and even more widespread, private companies, individuals, and groups wishing to promote themselves or their causes will do so via social networking tools. When personalized advertising becomes feasible, businesses will assume a larger role in social networking.
- 13. The Israeli government also employs social networking sites. The MOD, MFA, and IDF are currently connected to social network tools to varying degrees, with the IDF spokesman's office setting the pace in these areas with a YouTube site. The Israeli government sends updates from its official website (Gov.il) to twitter and the MFA maintains very active Twitter, Facebook, YouTube, and Flicker sites. The Israeli President's Office just launched a YouTube site. All have hosted internet chats and the Israeli Consulate in New York hosted a twitter based briefing during the Gaza Offensive. Finally, the current government created a new Ministry to improve the delivery of government services through the internet. Post is working closely with the new Ministry to share U.S. best practices delivering government services via the internet.

Relations with Rising Powers

- ¶3. Overall Israeli relations with the rising powers or big emerging markets like China, India, and Brazil, is forward looking and positive. The GoI recognizes these countries as major future markets for Israeli technology exports and engages them with trade missions and high-level visits. While competition exists and is likely to grow, for example with India in IT development and assembly work, where some Israeli firms have invested in production facilities, the benefits of collaboration with such large economies are understood by the private sector here. Israeli expertise in dry land agriculture, agronomic research, and water management technology is appreciated in Brazil, India and elsewhere in the developing world. Strong ties of Jews in Israel with those in the diaspora bring many Israelis in contact with the citizens of BEM (big emerging markets) countries, and these countries can be a source of immigration.
- 14. Israeli relations with key international players are varied and growing, partly from an effort to counter the influence of perceived anti-Israeli sentiment, but also the need to develop an appreciation in these organizations for what the country offers among them, democratic values and a vibrant, first-world economy. The country's drive for OECD membership is evidence of this. Israel is eternally in quest of support in IOs such as the UN, and cultivates a plurality of links across many issue areas, although the Israeli government has only recently begun to recognize that its influence in international organizations would be enhanced if Israel were to be perceived to be politically useful to others within those organizations rather than exclusively focused inward on the Israeli-Palestinian conflict.

## Climate Change and Resource Scarcity

- 15. Israeli's concern with climate change is real, but so too are its problems in addressing it. With a developed economy and high standard of living, Israel has a high GHG emissions level comparable to that of Western European countries (see ref B.) Nonetheless, the country also has a younger demographic profile and a high GDP growth rate more like that of developing economies. In combination, these dynamics project a near doubling of emissions by 2030 without major policy changes. GoI concern about global warming is genuine for several reasons. First, the country already struggles with an arid climate and substandard rainfall. Water and food self-sufficiency for Israel, a cherished goal in its hostile geopolitical situation, becomes even harder to attain. Second, a water scarcity due to a changing global climate aggravates relations with neighboring states and complicates settlement of the Palestinian issue. Third, the rise in sea levels, now projected at up to 1.4 meters, would seriously impact Israel's land area; half of the population lives on the coast, and any land area lost is critical given that Israel is smaller than New Jersey.
- 16. As always, security is the principal concern driving Israeli policy. Previously simple decisions, however, are now rendered more complex by interlinked problem. The GoI is acutely aware of the nation's lack of resources, particularly water, energy and land. To address its vulnerability from dependence on foreign energy sources as well as to check the country's CO2 emissions growth, the Cabinet has endorsed policies aiming to produce 20 percent of its energy from alternative sources by 2020. Last month, the Prime Minister spoke of the need for Israel to ultimately free itself from dependence on energy imported from foreign, hostile sources. At the same time, the Cabinet is pressing for investment in massive desalinization facilities to free the country from dependence on natural fresh water sources. The energy-intensive water objective will conflict with the energy conservation and CO2 reduction goals, leading to difficult policy and budgetary decisions in the future. The GoI also faces a major challenge in returning its education system to its prior quality, after years of under-investment and erosion in standards (see ref C.) Israeli leadership knows that in its resource-poor environment, the country's intellectual capital is its chief strength. The government hopes that Israeli ingenuity in technology innovation will address these contradictions.

## Backsliding on Democratic values

17. Israel largely stays true to its democratic principles, but questions of equality and fairness of treatment for local minorities

continues to plague the society. The Arab-Israeli population, religious minorities, as well as recent immigrants from countries like Ethiopia, do not fare as well as native-born Jewish Israelis on many scales - education, earned income, and political representation. Presumably, equalizing factors, such as the spread of internet access and technology to these underserved populations, will facilitate their engagement in Israeli politics. The question will be what a stronger voice for these minorities portends for the Israeli political system. We would expect a rise in already existing tensions between those wanting to see Israel as a liberal and democratic state with equal citizenship for all, and those who want to give priority to Israel's Zionist identity as a fundamentally Jewish state. The implications of demographic shifts in Israel's constituent ethnic and religious groups are immense. Regarding the perception of backsliding on democratic values in other countries, Israel does see it as within its interest to support democratic developments elsewhere in the world. Israel's Center for International Cooperation, MASHAV, supports community development, poverty reduction, and gender equality in several developing countries.

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